A STRATEGY FOR SUPPORTING MILLENNIUM PROJECTS

A SPEECH BY
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MILLENNIUM COMMISSION

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The sixteenth century author of the uncontroversial line "For Christmas comes but once a year" has not enjoyed wide personal celebrity for it, but no one has ever tried to put the frequency of the millennium into verse, and in the truest sense we only have one precedent. It was our fortune or misfortune that in this country our first millennium was inappositely presided over by Ethelred the Unready, who lived two thirds of his life in the old millennium and one third in the new. It is discouraging that William of Malmesbury should have said of him "The career of his life is said to have been cruel in the beginning, wretched in the middle, and disgraceful in the end".

We are seeking at the second millennium to improve.

INTRODUCTION

- 3. The National Lottery etc Act 1993, which provides the statutory framework for the introduction of the National Lottery, states that the net proceeds of the Lottery are to be distributed between five good causes. These are the arts, sport, the national heritage, charitable projects, and projects to mark the year 2000 and the beginning of the third millennium. The Millennium Commission has been established under the same Act to distribute grants in this last category.
- 4. The Millennium Commission has nine members drawn from across the United Kingdom and from all walks of life. Our experience covers a wide field, including the arts, business, construction and development, heritage and education, the law, science, sport and environment. Although we represent different interests and parts of the nation, we each serve on the Commission in a personal capacity and not to further any particular national or regional cause. The Commission is supported by a small secretariat based in central London, which handles all enquiries on behalf of individual Commissioners.

- 5. Although we are only vicariously the spiritual descendants of the Royal Commission of the Great Exhibition of 1851, the continuity of life in this nation is such that in 1851, as today, the Commission included the President of the Board of Trade and the Member of Parliament for this constituency (though not in that capacity), and, if the Duke of Buccleuch is not present in person as he was in 1851, his son the Earl of Dalkeith is very much a Millennium Commissioner. The only discontinuity is that the East India Company is no longer represented, but even then Simon Jenkins was in India when invited to join the present Commission.
- 6. As to the Festival of Britain of 1951, which was proposed by the Royal Society of Arts as a commemoration of the 1851 Great Exhibition, some present will catch another echo of the continuity of our national life (without of course reference either to party or to President) when I remind you that Gerald Barry, the editor of the News Chronicle, wrote an open letter to the then President of the Board of Trade in 1945 concerning an international exhibition, an idea then examined by a Departmental Committee, but that when the proposal re-emerged from the Board of Trade it had moved from the

international to the national because of the cost, which then shrank to one sixth of the budget originally envisaged.

- 7. Finally, though we do not have with us today either Charles Barry, the architectural Commissioner in 1851, nor Gerald Barry, the progenitor of 1951, we do still happily have among us Hugh Casson, the leader of 1951's Festival architects.
- 8. Since the Millennium Commission was established in February this year, there has been increasing speculation about how we intend to use our share of the Lottery proceeds. Some people are already planning to apply to the Commission and want to know what kind of bids are likely to gain our support. However, we are conscious that in many parts of the country perhaps even in this audience organisations have only recently become aware of our existence. We are still developing our policy but tonight I want to open a window on our role and explain our preliminary thinking on our funding strategy. This will not be our definitive position, but should give a steer on our ideas so far, and increase public awareness of our purpose

as a Lottery distributor.

- 9. The Millennium Commission has been given a remit to fund projects that celebrate the year 2000 and the beginning of the third millennium. For many people, the millennium has a spiritual significance as the 2000th anniversary of the birth of Christ. Others will see in it a possible turning point for civilisation. For all of us, it will be a time for personal and national reflection on the progress of mankind and our hopes and aspirations for the future. It seems to me entirely fitting that, as we take stock of our achievements and look forward to the next century, we should seek to capture the spirit of our age in enduring landmarks that symbolise our hopes for the future.
- 10. The Millennium Commission is, in essence, a means of realising visions an opportunity to turn hopes and dreams into reality. The vision that might be embodied in millennium projects is not one that we should or will impose. We see ourselves as enablers, as catalysts for projects that fulfil your aspirations. If the projects we support are to

stand the test of time they must be for the man or woman in the street - it is after all their playing the Lottery that will provide our income. The millennium is a mere five a half years away and we must think now about the monuments we want to leave in commemoration of the year 2000. How many have bemoaned the lack of vision in this country, have said that the *grands projets* adorning France could never have happened here? The Millennium Commission is your opportunity to create our own great landmarks, and at the same time to steal a march on the rest of the world's celebrations of the millennium. Are you ready to face this challenge? Have you the vision to transform the face of the nation in the year 2000?

INCOME

11. We shall have substantial funds available to help realise your ideas. Camelot, the Lottery operator, estimates that our income will approach £1.6 billion by the end of the year 2000. There will always be uncertainty about actual income from the Lottery, and we must take this into account when considering projects. We intend to be prudent, and plan initially on the basis of receiving 75% of that

forecast income. We will revise our plans as experience of the Lottery develops and our income builds up. We do not have to spend our income within the year of receipt but can let it accumulate, earning interest, within the National Lottery Distribution Fund.

12. We expect to be the sole source of the Lottery funds for the majority of the millennium projects we support. We believe that to fund jointly projects with another Lottery distributor would in most cases blur the distinction between the use of Lottery proceeds to improve the quality of life generally and our own role in supporting projects that specifically celebrate the millennium.

STRATEGIC FRAMEWORK

13. To distribute this income we are considering adopting a four-part framework, taking account of the requirement, set by Government, that Lottery funds should be used mainly in support of capital expenditure and not for purely revenue schemes. The four elements we have identified are: large capital projects of national or regional

significance; capital projects of more local impact; millennium bursaries; and, perhaps, a millennium festival. We expect this approach to accommodate most bids, but the Commission will always be ready to consider the exceptional and unexpected project that does not fit into our categories, but is nevertheless "of the millennium".

NATIONAL AND REGIONAL MILLENNIUM PROJECTS

14. The major capital projects of national and regional significance will be at the centre of our millennium celebrations. We are thinking of contributing around 50% of our estimated income to these projects. We are determined that they should be spread around the whole of the United Kingdom. We want to fund projects both in and outside London, in the English regions and in each country of the United Kingdom. This is a genuinely open opportunity for every region to compete for our backing for its millennium scheme. None of our money has yet been committed. We have no predetermined views. Whilst the final number of projects will depend on the quality and cost of the applications we receive, we would like to support around

a dozen major projects throughout the Kingdom, and possibly more, contingent upon income.

15. These schemes are likely to cost tens of millions of pounds. We shall be looking for partnership contributions in the bids that come forward. But size alone will not guarantee success as a millennium project. We recognise that, in some areas, two or three major but more modest schemes could attain the same significance as a single project elsewhere and we intend to adopt a flexible approach when considering bids within our broad criteria. The application guidelines we produce will reflect the policy directions issued by myself in my alternative capacity as the Secretary of State for National Heritage under Section 26(1) of the National Lottery etc Act 1993. These directions set out matters that Lottery distributors are required to take into account when considering applications for funding. They were published by the Department of National Heritage on 20 June 1994 and are reproduced at the end of this booklet.

16. The principal requirement is that the Millennium Commission should mainly fund capital expenditure: we shall make this our

priority, although we shall consider whether, in certain circumstances, we should be prepared to contribute to an endowment fund for the revenue costs associated with a millennium project. The Commission does not expect to fund the total cost of a capital project. Partnership contributions will be required, and we hope that at least matching funding will be achieved by applicants. The greater the amount of partnership funding a project secures, the more favourably we should expect to regard it. The success of a project in attracting other backers, from the private, charitable or public sector, will be a measure of the support it enjoys as a millennium bid. We shall judge an applicant's achievement in this respect in the light of local circumstances. We are likely to look carefully at bids where the majority of external support comes from a Government department, to ensure that we are not being asked to take on commitments that would otherwise be met from public expenditure. We shall expect projects to be for the public good and to be of proven long-term viability.

The national and regional projects we support will, we hope, be full of imagination and innovation. The potential is almost unlimited and we have powers to cover an enormous range of interests. We are pleased that some interesting ideas are already being worked up, but so far they cover a fairly narrow field. We should be delighted to see environmental applications, where we might contribute to the natural world after centuries of taking from it. Why should there not be a scientific or engineering project that becomes one of the wonders of the third millennium? Or a new application of developments in communications technology, purely for the public good? We could look at education and access to learning - support a project as far reaching as the Open University. And we can surely find room for British individuality or even eccentricity - think how the Skylon became such a symbol of the Festival of Britain in 1951. Architects must seize the chance to house these projects with the ingenuity and style that Paxton brought to the Crystal Palace.

18. We do not rule out national millennium projects in the heritage, sports and arts sectors, but I want to stress that we are looking for

exceptionally distinctive projects that are "of the millennium". Of course, these sectors each have their own tranche of Lottery funds with which to renew and increase their capital stock. We are not here to duplicate the role of other distributors and would not expect to fund projects that fell within their scope.

LOCAL MILLENNIUM SCHEMES

19. If our estimated income is realised, we would like to use the other 50% or so to support capital projects of local significance and a millennium bursary scheme. If the Commission is to reach out across the nation, we think it essential to support a large number of projects of benefit at local level. This will offer an opportunity to develop partnership contributions in kind, the whole community donating time, energy and resources in support of their millennium proposal. The initiatives we support could be one-off capital schemes, or we might adopt millennium initiatives that have a universal theme, such as the "greening of Britain". We are minded to say that, given the largesse available to other Lottery distributors, which will of course

continue beyond the millennium, most of the local projects we support will improve quality of life in areas the Lottery could not otherwise reach.

20. We expect to apply similar application criteria to these smaller projects as discussed above in the context of the national and regional projects. We shall wish to be reasonably flexible in the interpretation of these criteria to accommodate particular local circumstances. For example, the partnership funding we shall require might embrace local people giving freely of their professional expertise, local industry contributing goods and raw materials, or a local landowner making a gift of property or land. We shall be considering how we should identify local millennium projects and the processes we might, in due course, adopt for handling applications. In the meantime, we would welcome views on areas we might target.

MILLENNIUM BURSARIES

The capital projects I have mentioned will make a visible difference to the United Kingdom in the 21st century, but we should not lose sight of the human perspective in our planning. Therefore, the third strand of our proposed strategy is a millennium bursary scheme. This would be a means of fulfilling more personal aspirations for the future, extending individual horizons and broadening the body of knowledge we carry forward to the 21st century. We can see several areas in which a bursary or similar scheme might make a contribution: it could be educational in the broadest sense; encourage voluntary activity; or release individual talent and expertise to the benefit of the wider community. We shall be considering the options for the Commission's bursary scheme and, in particular, how to reflect the "millennial factor" in the awards we make. Alongside our own consultations, we would welcome suggestions of areas in which we could make a lasting contribution to learning, participation or enlightenment.

MILLENNIUM FESTIVAL

- 22. Finally, we want to explore whether we should support a millennium festival. We shall be asking whether this could become the focus of celebration in the year 2000. Would the public respond with the enthusiasm that greeted the 1851 Great Exhibition and the Festival of Britain in 1951? Could a millennium festival capture the imagination of the nation?
- 23. We know that some of our potential applicants have festival bids under consideration. Before we launch our competition for national projects, we shall decide whether a separate scheme for a national millennium festival might be appropriate. Festivals can have a catalytic effect on commerce and culture, and have enormous potential for economic regeneration. We shall look at the form a modern festival might take and the role the Commissioners might play in supporting the costs of a site. If we do not pursue a separate scheme, we shall be happy to consider festival-related applications for national capital projects. Whatever our conclusion, a millennium festival

would need support from business, industry and the cultural sector, and should be expected to provide some permanent benefit well into the next century. As an index, the Royal Commission for the Great Exhibition of 1851 contained Commissioners to represent agriculture, architecture, the City, cotton and other manufacturers, engineering, geology, mercantile interests, painting, science and sculpture.

PROJECTS "OF THE MILLENNIUM"

24. I have set out for you the four broad types of project we are considering for celebrating the millennium, and some of the features we shall be looking for in applications. I hope I have conveyed our genuine commitment that every part of the United Kingdom should benefit from the Millennium Fund. We want to see millennium projects, large and small, spread across every region, in villages, towns and cities. The common thread running through our strategy is that all the projects we support will, in some sense, be "of the millennium". It will be this quality that sets them apart from other initiatives, now and in the future. The Commission has not yet produced a seamless

definition of what a millennium project is, but we have identified some features a successful application is likely to display.

Our millennium projects are probably going to be those that would not otherwise happen. If there were no Millennium Commission, they would not get off the ground. They are likely to be unique in some way. They might break new ground in design or function; be of a scale to set them apart from others; make a new contribution to public life or the harnessing of community endeavour. We believe it essential that projects enlist grass-roots support if they are to attain a lasting significance. We should like to see bids that celebrate excellence, and demonstrate creative use of the wealth of talent available in the United Kingdom today. Millennium projects will be distinctive, different. They can carry the benefits of the Lottery into all walks of life. We do not wish to see "business as usual" ideas dressed up with a thin veneer of celebration: we are looking for added value in all that we do. Above all, the Millennium Commission's legacy should form a permanent enhancement of our national heritage.

CONCLUSION

- 26. When I began, I stressed that I was describing the Commission's thinking so far. We want our views to be shaped by those of this audience and of people around the country. This is crucial if we are to realise to the full this opportunity to enrich our lives and those of future generations. Over the coming months, we shall be consulting individuals and organisations around the United Kingdom, and encouraging local and regional communities to consider their millennial plans. We should genuinely welcome your opinions before we draw our conclusions at the end of September.
- 27. We shall aim to publish our first guidelines, which will be for applicants for major projects, by the end of the year. The closing date for those bids is likely to be around Easter 1995, and we hope decisions on projects can be made from the summer onwards. Subsequently, we shall invite applications for the other types of projects I have mentioned. It is unlikely that we shall be in a position to make firm commitments to all our projects in 1995: the timing of

final grant offers will depend upon the success of the Lottery. If the Lottery generates more income than we expect, we may be able to contemplate funding further large scale projects. Whatever funds we eventually receive, we are committed to seeing at least some millennium projects completed by the year 2000.

28. The Commission is asking you to lift your eyes from the familiar, the mediocre, the mundane, and to look to the glory of the nation. We need people like yourselves, people of vision, energy and determination, up and down the country, to create partnerships of ideas, expertise and optimism. Without your input, the celebration of the millennium in the United Kingdom will become a missed opportunity. We often talk about once in a lifetime chances. The dawn of a new millennium is a once in thirty generations event. None of us should let it pass us by. One Ethelred the Unready in our history is enough.

The members of the Millennium Commission are:

The Rt Hon Peter Brooke CH MP (Chairman)

Professor Heather Couper FRAS
The Earl of Dalkeith DL
The Hon Robin Dixon CBE DL
Sir John Hall
The Rt Hon Michael Heseltine MP
Simon Jenkins Esq
Michael Montague Esq CBE
Miss Patricia Scotland QC

Your comments on this speech and any enquiries about the Millennium Commission should be addressed to:

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DIRECTIONS ISSUED TO THE MILLENNIUM COMMISSION UNDER SECTION 26 (1) OF THE NATIONAL LOTTERY ETC ACT 1993

The Secretary of State for National Heritage, in exercise of the powers conferred by section 26(1) of the National Lottery etc. Act 1993, hereby gives the following Directions to the Millennium Commission:

- 1. In these Directions -
 - (A) any reference to a section is a reference to a section of the National Lottery etc. Act 1993;
 - (B) "capital expenditure" has the meaning given to that expression in the Schedule to these Directions.
- 2. The Millennium Commission shall take into account the following matters in determining the persons to whom, the purposes for which and the conditions subject to which it distributes money under section 25(1):-
 - (A) the need to ensure that it does not solicit particular applications;
 - (B) the need to ensure that money is distributed under section 25(1) for projects which promote the public good (including the widening of public access) or charitable purposes and which are not intended primarily for private gain;

- (C) the need for money distributed under section 25(1) to be distributed for the purpose of capital expenditure on projects and only to be otherwise distributed where the money -
 - (i) is distributed for the purposes of endowment or in the form of revenue grants where -
 - (a) such costs are associated with a capital project in respect of which money has been or is proposed to be distributed under section 25(1); and
 - (b) the project would not otherwise be completed because no other finance for such costs is available; or
 - (ii) is distributed for bursary or similar schemes; or
 - (iii) is distributed in support of millennium celebrations.
- (D) the viability of projects and in particular the need for resources to be available to meet any running and maintenance costs associated with each project for a reasonable period, having regard to the size and nature of the project;
- (E) the need for projects to be supported by a significant element of partnership funding, and/or contributions in kind, from other sources;

- (F) such information as it considers necessary to make decisions on each application, including independent expert advice where required;
- (G) the need not to distribute money under section 25 to a company falling within section 27(2)(a); and
- (H) the objective of ensuring that major projects are supported in each country of the United Kingdom.

Signed by authority of the Secretary of State for National Heritage

Sally Booth

20 June 1994

A Grade 5 Officer in the Department of National Heritage

Schedule

DEFINITION OF CAPITAL EXPENDITURE

- 1. "Capital expenditure" means expenditure on the purchase, improvement, restoration, construction or creation of an asset that:
 - (a) is being or has been acquired with the intention of being used on a continuing basis in the organisation's activities; and
 - (b) is not intended for sale in the ordinary course of the organisation's activities

and includes any costs directly attributable or expenses incidental to the actual purchase, improvement, restoration, construction or creation of the asset.

- 2. In para. 1 above, improvement means expenditure which increases the expected future benefits from the existing asset beyond its previously assessed level or results in:
 - a significant extension in the asset's life;
 - a significant increase in capacity;
 - a significant enhancement in the quality or value of the asset.









